

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION -- DIVISION OF FINANCIAL ASSISTANCE
SEPTEMBER 6, 2006**

ITEM 3

SUBJECT

CONSIDERATION OF A RESOLUTION COMMITTING CLEAN BEACHES INITIATIVE (CBI) GRANT FUNDS TO THE COUNTY OF ORANGE (COUNTY) FOR DANA POINT HARBOR BABY BEACH CIRCULATION PROJECT (PROJECT); CBI GRANT PROGRAM; CBI PROJECT NO. 303

DISCUSSION

In accordance with the authority established in the Clean Beaches Program of the *Watershed, Clean Beaches, and Water Quality Act (Act)* (Public Resources Code, §30901, Chapter 3), the State Water Resources Control Board (State Water Board) can award grants up to \$5 million per project to local agencies and non-profit organizations to implement projects that restore and protect the water quality and environment of coastal waters, estuaries, bays, and near shore waters. In addition to meeting the objective of the Act, all projects receiving grants from the Clean Beaches Program are required to meet the following criteria:

- (a) projects shall be consistent with California's nonpoint source control program;
- (b) projects shall demonstrate the capability of contributing to sustained, long-term water quality or environmental restoration or protection benefits for a period of 20 years;
- (c) projects shall address the causes of degradation, rather than the symptoms;
- (d) projects shall be consistent with water quality and resource protection plans prepared implemented, or adopted by the State Water Board, the applicable Regional Water Quality Control Board (Regional Water Board), and the State Coastal Conservancy (SCC);
- (e) projects shall be reviewed by the State Water Board in consultation with the SCC and the Clean Beaches Task Force (CBTF) appointed by the State Water Board to review projects and make recommendations for grant funding;
- (f) applicants shall inform the State Water Board of any necessary public agency approvals, entitlements, and permits that may be necessary to implement the Project, and applicants shall certify to the State Water Board at the appropriate time that such approvals, entitlements, and permits have been granted;
- (g) projects shall be consistent with recovery plans for coho salmon, steelhead trout, or other threatened or endangered aquatic species;
- (h) applicants shall be required to submit to the State Water Board a monitoring and reporting plan;
- (i) upon completion of the project, the recipient of the funds shall submit a report to the State Water Board that summarizes the completed activities and indicates whether the purpose of the project has been met;
- (j) the State Water Board must provide opportunity for public review and comment in awarding the funds; and
- (k) grant funds can only be used for the costs of construction or acquisition of capital assets as specified in Section 16727 of the Government Code.

For ease of implementation, the State Water Board divided the funding solicitation into two phases. In the second funding phase, the CBTF recommended, and the State Water Board adopted, a Competitive Location List (CLL) on April 21, 2005 (Resolution No. 2005-0028). The CLL was designed to target specific beaches that are known to have persistent bacterial water quality problems such as a beach that is frequently or permanently posted with signs warning beachgoers of the risks associated with exposure to beach waters. To date, the CBTF has recommended \$16.1 million of the \$22.2 million available for Phase Two projects.

Baby Beach is an enclosed beach within Dana Point Harbor and is frequently posted for bacteria levels exceeding beach water quality standards. The Project will install six Oloid circulation devices that will enhance the harbor water circulation at Baby Beach. The Oloid unit is a small and efficient water paddle that can move significant amounts of water with minimal noise and size by the use of a unique geometric shape moving in a complex motion. While Baby Beach frequently has high levels of indicator bacteria, the rest of the harbor flushes well with the natural tide. The circulation proposal is intended to help move the stagnant waters at Baby Beach so that the bacteria will be flushed out.

Baby Beach is on the State Water Board's approved CLL. The CBTF reviewed the County's proposal and recommended the Project for funding at the October 12, 2005, meeting provided that the County prepare a preliminary design and feasibility report for State Water Board staff review and approval prior to installing the units. The County will adopt a Resolution designating an authorized representative for the Project.

The County, filed a Notice of Exemption, which has been reviewed and considered, and State Water Board staff has determined that the project qualifies for a statutory exemption from CEQA requirements and will not result in any significant water quality impacts.

FISCAL IMPACT

The Act appropriated \$43.7 million to the CBI Program for grants up to \$5 million per project to restore and protect the water quality and environment of coastal waters, estuaries, bays, and near shore waters. This project will be funded by the CBI Program, and will have the following fiscal impact.

Proposition 40 Funding	\$43,700,000
Total Previous Commitments	\$27,359,400
Funds Available for Current Commitments	\$16,340,600

State Water Board Funding Commitment for September 2006:

County of Orange, CBI Grant #303	\$1,000,000
Port of Los Angeles, CBI Grant #309	\$2,000,000
City of Long Beach, CBI Grant #310	\$3,823,868
<u>City of Malibu, CBI Grant #315</u>	<u>\$ 920,000</u>

Funds Remaining for Future Commitments	\$8,596,732
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REGIONAL WATER BOARD IMPACT

The San Diego Water Board has reviewed the Project and determined that it is consistent with existing water quality control plans.

POLICY ISSUE

Should the State Water Board approve CBI grant funding for the County's Proposed Project?

STAFF RECOMMENDATION

That the State Water Board approve a CBI grant commitment of \$1 million for the County's Project.

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2006-**

**COMMITTING CLEAN BEACHES INITIATIVE (CBI) GRANT FUNDS TO THE COUNTY OF ORANGE
(COUNTY) FOR DANA POINT HARBOR BABY BEACH CIRCULATION PROJECT (PROJECT);
CBI GRANT PROGRAM; CBI PROJECT NO. 303**

WHEREAS:

1. The *Watershed, Clean Beaches, and Water Quality Act (Act)* (Public Resources Code §30901) was signed into law on September 20, 2002. The Act appropriated \$46 million from Proposition 40 for additional CBI grants to help local agencies, non-profit organizations, and public agencies implement projects that protect and restore California's coastal water;
2. The CBI funds appropriated in the Act are available for encumbrance up to December 31, 2006;
3. The State Water Resources Control Board (State Water Board), on April 21, 2005, adopted the CBI Competitive Location List which included Baby Beach;
4. The Clean Beaches Task Force reviewed the County's proposed Project at Baby Beach, and recommended it for funding at the October 12, 2005, meeting provided the County prepares a preliminary design and feasibility report for State Water Board staff approval prior to installing the units; and
5. The County, filed a Notice of Exemption, which has been reviewed and considered, and State Water Board staff has determined that the project qualifies for a statutory exemption from CEQA requirements and will not result in any significant water quality impacts.

THEREFORE BE IT RESOLVED THAT:

The State Water Board approves a grant for the County's Project not to exceed \$1 million from the Act provided that the County prepare a preliminary design and feasibility report for State Water Board staff review and approval prior to installing the units.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the forgoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on September 6, 2006.

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Clerk of the Board